

# MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

## PART I: GENERAL INFORMATION

<b>Type of Requestor:</b> (X) HCP ( ) IE ( ) IC	<b>Response Timely Filed?</b> ( ) Yes (X) No
Requestor  Vista Medical Center Hospital 4301 Vista Rd. Pasadena, TX 77504	MDR Tracking No.: M4-04-4902-01
	TWCC No.:
	Injured Employee's Name:
Respondent's  Vanliner Insurance Co. Rep. Box # 28	Date of Injury:
	Employer's Name: Suddath Relocation Systems
	Insurance Carrier's No.: 74336000222

## PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
7-16-03	7-28-03	Inpatient Hospitalization	\$38,993.73	\$0.00

## PART III: REQUESTOR'S POSITION SUMMARY

Carrier has not provided the proper payment exception code in this instance, which in violation of the TWC Administrative Code. Healthcare provider does not have a negotiated contractual agreement with Carrier.

R – The Healthcare provider is unaware of any TWCC 21 filed by the Carrier regarding the above referenced claim. Carrier has pre-authorized treatment without proper notice of compensability dispute.

## PART IV: RESPONDENT'S POSITION SUMMARY

Allowing hospitals to set their won charges for implantables and supplies, and then removing insurance carrier's abilities to audit charges thereby forcing them to pay inflated bills, leads to absurd results and does not achieve effective cost control.

## PART V: MEDICAL DISPUTE RESOLUTION REVIEW SUMMARY, METHODOLOGY, AND/OR EXPLANATION

This dispute relates to inpatient services provided in hospital setting with reimbursement subject to the provisions of Rule 134.401 (Acute Care Inpatient Hospital Fee Guideline). The hospital has requested reimbursement according to the stop-loss method contained in that rule. Rule 134.401(c)(6) establishes that the stop-loss method is to be used for "unusually costly services." The explanation that follows this paragraph indicates that in order to determine if "unusually costly services" were provided, the admission must not only exceed \$40,000 in total audited charges, but also involve "unusually extensive services."

Operative report indicates that, "Removal of posterior lumbar instrumentation; Debridement lumbar wound down to bone; and Implantation of antibiotic-laden beads(20)."

The operative report indicates that "This is a very high-risk patient with comorbidities of diabetes and sarcoidosis with high-dose steroids.

After reviewing the documentation provided by both parties, it does **not** appear that this particular admission involved "unusually extensive services." Accordingly, the stop-loss method does not apply and the reimbursement is to be based on the per diem plus carve-out methodology described in the same rule.

The total length of stay for this admission was 12 days (consisting of 12 days for surgical). Accordingly, the standard per diem amount due for this admission is equal to \$13,413.00(12 times \$1,118.00). In addition, the hospital is entitled to additional reimbursement for (implantables/MRIs/CAT Scans/pharmaceuticals) as follows:

Per TWCC-60, the insurance carrier paid \$15,995.77 for the inpatient hospitalization. A copy of a check for \$20,799.55 was submitted for review.

TWCC-21 was not filed with the Commission disputing the treatment as not related to compensable injury.

Considering the reimbursement amount calculated in accordance with the provisions of rule 134.401(c) compared with the amount previously paid by the insurance carrier, we find that additional reimbursement is not due for these services.

#### PART VI: COMMISSION DECISION

Based upon the review of the disputed healthcare services, the Medical Review Division has determined that the requestor is **not** entitled to additional reimbursement.

Findings and Decision by:

Elizabeth Pickle

04/11/05

Authorized Signature

Typed Name

Date of Order

#### PART VII: YOUR RIGHT TO REQUEST A HEARING

Either party to this medical dispute may disagree with all or part of the Decision and has a right to request a hearing. A request for a hearing must be in writing and it must be received by the TWCC Chief Clerk of Proceedings/Appeals Clerk within 20 (twenty) days of your receipt of this decision (28 Texas Administrative Code § 148.3). This Decision was mailed to the health care provider and placed in the Austin Representatives box on \_\_\_\_\_. This Decision is deemed received by you five days after it was mailed and the first working day after the date the Decision was placed in the Austin Representative's box (28 Texas Administrative Code § 102.5(d)). A request for a hearing should be sent to: Chief Clerk of Proceedings/Appeals Clerk, P.O. Box 17787, Austin, Texas, 78744 or faxed to (512) 804-4011. A copy of this Decision should be attached to the request.

The party appealing the Division's Decision shall deliver a copy of their written request for a hearing to the opposing party involved in the dispute.

**Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**

#### PART VIII: INSURANCE CARRIER DELIVERY CERTIFICATION

I hereby verify that I received a copy of this Decision in the Austin Representative's box.

Signature of Insurance Carrier: \_\_\_\_\_ Date: \_\_\_\_\_